

Telecommunications
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Technology
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Trademarks
Proprietary Rights
Complex Litigation
General Business Law

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AUG 19 2003

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August 19, 2003

HAND DELIVERED VIA COURIER

Marlene H Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau
P O Box 358145
Pittsburgh, PA 15251-5145

Re: Joint Application of Columbia Ventures Broadband LLC, CTC Communications Corp. and CTC Communications of Virginia, Inc. for Grant of Authority Pursuant to Section 214 to Complete a Transfer of Control of Authorized International and Domestic Interstate Carriers

Dear Ms. Dortch.

On behalf of Columbia Ventures Broadband LLC, CTC Communications Corp. and CTC Communications of Virginia, Inc., enclosed please find an original and six (6) copies of their Joint Application for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934 and Sections 63.04 and 63.18 of the Commission's Rules to Complete a Transfer of Control of Authorized International and Domestic Interstate Carriers

Also enclosed is a completed Fee Remittance Form 159 and check in the amount of \$860.00, to the Federal Communications Commission, in satisfaction of the filing fee requirement for this Application under line 2.b of Section 1.1105 of the Commission's rules. An extra copy of this filing is enclosed, please date-stamp and return in the enclosed self addressed, stamped envelope.

Marlene H. Dortch, Secretary
Federal Communications Commission
August 19, 2003
Page 2

Please direct any questions regarding this filing to the undersigned

Respectfully submitted,



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Edward S. Quill, Jr
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Inc

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Counsel For Columbia Ventures Broadband LLC

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page No 1 of 3

(1) LOCKBOX #

358145

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)

THE HELEN LAW GROUP, P.C.

(3) TOTAL AMOUNT PAID (U.S. Dollars and Cents)

\$860.00

(4) STREET ADDRESS LINE NO. 1

8180 GREENSBORO DRIVE

(5) STREET ADDRESS LINE NO. 2

SUITE 700

(6) CITY

McLEARN

(7) STATE

VA

(8) ZIP CODE

22102

(9) DAYTIME TELEPHONE NUMBER (include area code)

(703) 714-1300

(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(11) PAYER (FRN)

0003-7841-88

(12) PAYER (TIN)

52-1850650

IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B

IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)

(13) APPLICANT NAME

COLUMBIA VENTURES BROADBAND LLC

(14) STREET ADDRESS LINE NO. 1

16703 S.E. MCGILLIVRAY BOULEVARD

(15) STREET ADDRESS LINE NO. 2

SUITE 710

(16) CITY

VANCOUVER

(17) STATE

WA

(18) ZIP CODE

98683

(19) DAYTIME TELEPHONE NUMBER (include area code)

(360) 882-1052

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN)

0009-3529-72

(22) APPLICANT (TIN)

20-0111883

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

CUT

(25A) QUANTITY

1

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

\$860.00

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

SECTION D - CERTIFICATION

(30) CERTIFICATION STATEMENT

I JONATHAN S. MORAESLON

the best of my knowledge, information and belief

SIGNATURE

[Signature]

DATE

8/19/03

SECTION E - CREDIT CARD PAYMENT INFORMATION

(31)

MASTERCARD/VISA ACCOUNT NUMBER

EXPIRATION
DATE

☐

MASTERCARD

☐

VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described

SIGNATURE

DATE

REMITTANCE ADVICE (Continuation Sheet)

FEDERAL COMMUNICATIONS COMMISSION

SPECIAL USE

FCC USE ONLY

USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT

SECTION BB - ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME

CTC COMMUNICATIONS CORP

(14) STREET ADDRESS LINE NO. 1

720 BEAR HILL ROAD

(15) STREET ADDRESS LINE NO. 2

(16) CITY

WALTHAM

(17) STATE

MA

(18) ZIP CODE

02451

(19) DAYTIME TELEPHONE NUMBER (include area code)

(781) 466-8080

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN)

0005-0136-69

(22) APPLICANT (TIN)

04-2731202

IF MORE BOXES ARE NEEDED, USE ADDITIONAL FCC 159-C CONTINUATION SHEETS TO LIST EACH SERVICE

SECTION CC - PAYMENT INFORMATION

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

(23C) CALL SIGN/OTHER ID

(24C) PAYMENT TYPE CODE

(25C) QUANTITY

(26C) FEE DUE FOR (PTC)

(27C) TOTAL FEE

FCC USE ONLY

(28C) FCC CODE 1

(29C) FCC CODE 2

(23D) CALL SIGN/OTHER ID

(24D) PAYMENT TYPE CODE

(25D) QUANTITY

(26D) FEE DUE FOR (PTC)

(27D) TOTAL FEE

FCC USE ONLY

(28D) FCC CODE 1

(29D) FCC CODE 2

(23E) CALL SIGN/OTHER ID

(24E) PAYMENT TYPE CODE

(25E) QUANTITY

(26E) FEE DUE FOR (PTC)

(27E) TOTAL FEE

FCC USE ONLY

(28E) FCC CODE 1

(29E) FCC CODE 2

(23F) CALL SIGN/OTHER ID

(24F) PAYMENT TYPE CODE

(25F) QUANTITY

(26F) FEE DUE FOR (PTC)

(27F) TOTAL FEE

FCC USE ONLY

(28F) FCC CODE 1

(29F) FCC CODE 2

REMITTANCE ADVICE (Continuation Sheet)

FEDERAL COMMUNICATIONS COMMISSION

SPECIAL USE
FCC USE ONLY

USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT

SECTION BB - ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME CTC COMMUNICATIONS OF VIRGINIA, INC		
(14) STREET ADDRESS LINE NO. 1 270 BEAR HILL ROAD		
(15) STREET ADDRESS LINE NO. 2		

(16) CITY WALTHAM	(17) STATE MA	(18) ZIP CODE 02451
(19) DAYTIME TELEPHONE NUMBER (include area code) (781) 466-8080		(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN) 0005-0136-85	(22) APPLICANT (TIN) 54-1905656
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IF MORE BOXES ARE NEEDED, USE ADDITIONAL FCC 159-C CONTINUATION SHEETS TO LIST EACH SERVICE

SECTION CC - PAYMENT INFORMATION

(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1	(29A) FCC CODE 2	

(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1	(29B) FCC CODE 2	

(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1	(29C) FCC CODE 2	

(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1	(29D) FCC CODE 2	

(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1	(29E) FCC CODE 2	

(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1	(29F) FCC CODE 2	

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
COLUMBIA VENTURES BROADBAND LLC,)	
)	
CTC COMMUNICATIONS CORP.,)	
)	
and)	File No. ITC-T/C-2003 _____
)	
CTC COMMUNICATIONS OF)	WC Docket No. 03-_____
VIRGINIA, INC.)	
)	
For Grant of Authority Pursuant to)	
Section 214 of the Communications Act of)	
of 1934 and Sections 63.04 and 63.18 of the)	
Commission's Rules to Complete a)	
Transfer of Control of Authorized International)	
And Domestic Interstate Carriers)	
)	

JOINT APPLICATION

I. INTRODUCTION

A. Summary of Transaction

Columbia Ventures Broadband LLC ("CV Broadband"), CTC Communications Corp. ("CTC Communications") and CTC Communications of Virginia, Inc. ("CTC Virginia") (together with CTC Communications the "CTC Operating Companies" and with CV Broadband, "Applicants"), by their undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.18 of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.18, hereby request Commission grant of authority to permit Applicants to consummate a series of transactions through which the CTC Operating Companies will emerge from bankruptcy and become immediately after emergence

indirect wholly owned subsidiaries of CV Broadband and therefore of CV Broadband's parent, Columbia Ventures Corporation ("CV Corp"). As described below, because the proposed transactions will be completed at the holding company level and will not change the rates, terms or conditions of CTC Operating Companies' services, the proposed transactions will be entirely transparent to customers of the CTC Operating Companies.

Since October 3, 2002, the CTC Operating Companies have been operating under the protection of the Bankruptcy Court for the District of Delaware ("Bankruptcy Court"). The transactions described below are expected to provide the CTC Operating Companies and their affiliates with access to the capital required to allow those entities to emerge from bankruptcy protection and thereby ensure that telecommunications customers of the CTC Operating Companies will continue to receive services on an uninterrupted basis. Because the proposed transactions will allow the CTC Operating Companies to continue to provide high quality *interstate and international* services by allowing those companies to emerge from bankruptcy and resume their earlier growth as competitors in their respective marketplaces, the proposed transactions serve the public interest.

B. Request for Expedited Consideration

In order for the CTC Operating Companies to emerge and to eliminate any further erosion of their existing customer base, Applicants have an urgent need to complete the proposed transactions as soon as possible. Prompt completion of the proposed transactions is critical to ensuring that the CTC Operating Companies obtain access to the financing arrangements necessary to permit the companies to emerge from bankruptcy. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transactions as soon as possible.

C. Application Eligible for Streamlined Processing

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 & 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transactions, (1) the CTC Operating Companies and their affiliates combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) the CTC Operating Companies will provide local exchange service only in areas served by dominant local exchange carriers (none of which are parties to the proposed transactions) and; (3) none of the Applicants or their affiliates are dominant with respect to any service. With respect to international authorizations, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are or are affiliated with any foreign carriers except for foreign carriers that qualify for a presumption of non-dominance pursuant to Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3) (*see* Section 63.12(c)(1)(ii)) and none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

In support of this Application, Applicants provide the following information:

II. THE APPLICANTS

A. Columbia Ventures Broadband LLC

Columbia Ventures Broadband LLC ("CV Broadband") is a limited liability company organized and existing under the laws of the State of Washington with offices located at 16703 S E. McGillivray Boulevard, Suite 210, Vancouver, Washington 98683. CV Broadband is a

wholly owned subsidiary of Columbia Ventures Corporation ("CV Corp."), a Washington corporation also located at 16703 S.E. McGilivray Boulevard, Suite 210, Vancouver, Washington 98683.

As demonstrated below, CV Broadband is well qualified managerially, technically and financially to own and control the CTC Operating Companies

1. Managerial Qualifications

CV Broadband possesses the qualifications necessary to manage the CTC Operating Companies and provide competitive telecommunications services throughout the companies' service territory.

Kenneth D. Peterson, Jr. is the owner and Chief Executive Officer of Columbia Ventures Corporation ("CV Corp."), an independent holding company with broad domestic and global interests in telecommunications and other industries. Mr. Peterson is also Manager and President of CV Broadband.

Mr. Peterson has applied his extensive managerial experience to various industries, most recently to the telecommunications industry. Mr. Peterson is presently a member of the Board of Directors of several telecommunications enterprises, including: Globalstar Australia, a satellite telephony and data services provider offering services throughout Australia; PocketNet Communications, Inc., a fixed wireless Internet Service Provider serving rural markets in the Pacific Northwest; Og Vodafone, a full-service, publicly traded competitive telecommunications company in Iceland, and, the group of companies making up Hibernia Atlantic, a state-of-the-art fiber optic cable between North America and Europe. Mr. Peterson is also the Manager of Fiberlink, LLC, the owner/operator of a 300-mile dark optical fiber network in and between Spokane, Washington and Coeur D'Alene, Idaho.

Prior to expanding into telecommunications, Mr. Peterson served at different times as the CEO, President or General Manager of various businesses which involved the smelting, extrusion, finishing and fabricating of aluminum, including: Columbia Aluminum Corporation (1987-1996); Columbia Pacific Aluminum Corporation, City of Industry (1989-2000); Modesto (1989-2000); Watsonville (1993-2000); Columbia Aluminum Products, Inc. (1989-2000). Since 1988, Mr. Peterson has served as President of Columbia Extrusion Corporation (n/k/a Columbia Commercial Building Products). During 1997-1998, Mr. Peterson's firm, CV Corp., built Nordural hf, a state-of-the-art aluminum smelter in Iceland. Mr. Peterson currently serves on the Board of Directors of Nordural hf and was the General Manager in 1998-1999 as the smelter was starting up.

Mr. Peterson also currently serves on the Board of Directors of American Capital Strategies, Inc., a NASDAQ-listed company (symbol: ACAS) and the Washington Policy Center, a non-profit think-tank supporting free-market solutions in business and government.

CV Broadband's acquisition of the CTC Operating Companies will bring together the experienced management team already in place within the CTC Operating Companies with Mr. Peterson's broad and deep experiences owning, managing, developing and growing telecommunications and other domestic and global businesses. Under Mr. Peterson's leadership, this management team is well qualified to manage, operate and expand the CTC Operating Companies.

2. Technical Qualifications

CV Broadband possesses the technical expertise to control the CTC Operating Companies. As described above, Mr. Peterson, Manager and President of CV Broadband, holds ownership and managerial interests in various domestic and global telecommunications

enterprises through CV Corp , CV Broadband's parent. These enterprises provide a wide array of telecommunications services, including fixed wireless, satellite, dark fiber and transoceanic fiber optic transmission. For each of these enterprises, Mr. Peterson relies on the skill and knowledge of exceptionally trained and highly qualified technical experts.

In managing the technical operations of the CTC Operating Companies, Mr. Peterson and CV Broadband will draw upon the skills of the CTC Operating Companies' existing team of technical experts led by Russell B. Oliver. Mr. Oliver joined CTC Communications in 1999 as Vice President, Network Operations where he is responsible for the management, maintenance and growth of the company's Integrated Communications Network, PowerPath Network. Prior to joining CTC Communications, Mr. Oliver was the Vice President of Network Systems Integration for Williams Communications ("WilTel"), where he was responsible for NSI operations throughout North America and participated in the selection, acquisition and integration of companies that fit the vision of the Williams Companies. Mr. Oliver has over 16 years of senior level experience in communications, networking, and operations and serves on the Board of Directors of BICSI.

CV Broadband is technically qualified to continue providing the telecommunications services currently provided by the CTC Operating Companies and expanding such offerings in the future.

3. Financial Qualifications

In light of the on-going operations of CTC Communications and the ability of CV Broadband to access capital through its parent, CV Corp., CV Broadband has ample financial resources to provide to continue to CTC Communications' current operations. Because CV Corp. is privately held, the specifics of its financial resources are confidential. At the

Commission's request, however, the Parties will make financial information available for the Commission's review under confidential seal.

B. CTC Communications Group

CTC Communications is a privately held corporation organized and existing under the laws of the Commonwealth of Massachusetts with principal offices located at 220 Bear Hill Road Waltham, MA 02451-1101. CTC Virginia is a Virginia public service corporation which is wholly owned by CTC Communications. CTC Communications is a wholly owned direct subsidiary and CTC Virginia is therefore a wholly owned indirect subsidiary of CTC Communications Group, Inc ("CTC Group"), a publicly held Delaware Corporation with principal offices also located at 220 Bear Hill Road Waltham, MA 02451-1101. No entity currently owns a majority of CTC Group's outstanding voting common stock.

CTC Communications was granted global Section 214 authority to provide resold international services by the Commission in File No. ITC-95-187 on April 12, 1995 under the name Computer Telephone Corporation. In Report No. I-8296 issued April 9, 1998, the Commission recognized the company's name change to CTC Communications Corp. CTC Virginia was granted global Section 214 authority to provide facilities-based and resold international services in File No ITC-214-19980820-00606 effective October 16, 1998. Both CTC Communications and CTC Virginia each hold blanket domestic Section 214 authority.

III. DESCRIPTION OF THE TRANSACTIONS

Applicants propose to complete a series of transactions ("Transactions") whereby CV Broadband will acquire CTC Group and therefore, indirectly, the CTC Operating Companies. In order to obtain Bankruptcy Court approval of and complete the proposed Transactions, CTC Group, CV Corp and CV Broadband have entered into an Investment Agreement dated as of

August 6, 2003 ("Agreement"). The Agreement provides that CTC Group will file and execute a Plan of Reorganization ("Plan") whereby the outstanding stock of CTC Group will be cancelled, debts and obligations of CTC Group and the CTC Operating Companies to existing creditors will be resolved and CTC Group will issue new shares of common stock to CV Broadband in return for a total purchase price of thirty-two million dollars (\$32 million).¹ Subsequently, upon consummation of the Plan and Agreement, CTC Group and the CTC Operating Companies will emerge from bankruptcy. Immediately following the consummation of the Plan, CTC Group will become a direct wholly owned subsidiary of CV Broadband and the CTC Operating Companies will therefore become wholly owned indirect subsidiaries of CV Broadband.

The proposed Transactions will be completed at the holding company level and consummation of the Transactions will not result in any transfer or assignment of the operating authorities held by the CTC Operating Companies or their respective customers or result in a name change by either of the CTC Operating Companies. The CTC Operating Companies will continue to conduct operations in substantially the same manner in which those operations are currently conducted. Immediately after the Transactions are completed, customers of the CTC Operating Companies will continue to receive service under the same rates, terms and conditions that currently apply to those services. As a result, the proposed Transactions will be entirely transparent to customers served by the CTC Operating Companies in terms of the services that they receive.²

The proposed Transactions are also not expected to materially change most of the current

¹ A copy of the voluminous Agreement and other bankruptcy court filings will be provided upon request.

² An organization chart illustrating the organizational control of CTC before and after the Transactions is provided as Exhibit A

management team that oversees the operations of the CTC Operating Companies and that team is expected to continue to oversee the operations of the CTC Operating Companies both during and after the completion of the Transactions. That senior management team, all of whom except Mr. Peterson currently hold responsibility for overseeing the operations of the CTC Operating Companies, will consist of exceptionally well-qualified individuals, including:

Kenneth D. Peterson, Jr., Manager & President –

Mr. Peterson is the owner and Chief Executive Officer of Columbia Ventures Corporation and Manager and President of Columbia Ventures Broadband LLC. Mr. Peterson has extensive experience managing telecommunications enterprises. He is presently a member of the Board of Directors of several telecommunications companies, including: Globalstar Australia, a satellite telephony and data services provider offering services throughout Australia; PocketNet Communications, Inc., a fixed wireless Internet Service Provider serving rural markets in the Pacific Northwest; Og Vodafone, a full-service, publicly traded competitive telecommunications company in Iceland; and, the group of companies making up Hibernia Atlantic, a state-of-the-art fiber optic cable between North America and Europe. Mr. Peterson is also the Manager of Fiberlink, LLC, the owner/operator of a 300-mile dark optical fiber network in and between Spokane, Washington and Coeur D'Alene, Idaho. Mr. Peterson graduated with a J. D. degree from Willamette University's College of Law in 1980. He earlier graduated with High Honors from The College of William and Mary and is a member of Phi Beta Kappa.

John D. Pittenger, Executive Vice President, Chief Financial Officer –

Mr. Pittenger joined CTC Communications Corp. in 1989 and is Executive Vice President and Chief Financial Officer. Mr. Pittenger has served as Chief Financial Officer, Treasurer and Clerk of CTC Communications since 1989. Prior to 1989, Mr. Pittenger was Chief Financial Officer of Comm-Tract Corp., a company that installs and services voice and data communications systems. Mr. Pittenger has over 18 years experience in Telecommunications financial and accounting disciplines. Mr. Pittenger holds a MBA from Babson College Graduate School of Business and an undergraduate degree from Dartmouth College.

Anthony D. Vermette, Vice President, Sales –

Mr. Vermette joined CTC in 1987 and was appointed Vice President, Sales in 1995. Prior to 1995, Mr. Vermette held a variety of positions with CTC including Branch Manager, Director of Market Development, and Vice President Sales and Marketing for New England Operations. He has 17 years of experience in Technology Sales and Service. Mr. Vermette is a graduate of Central Maine Technical College.

Russell B. Oliver, Vice President, Network Operations –

Mr. Oliver joined CTC in 1999 as Vice President, Network Operations where he is responsible for the management, maintenance and growth of the company's Integrated Communications Network, PowerPath Network. Prior to joining CTC, Mr. Oliver was the Vice President of Network Systems Integration for Williams Communications (WilTel), where he was responsible for NSI operations throughout North America and participated in the selection, acquisition and integration of companies that fit the vision of the Williams Companies. Mr. Oliver has over 16 years of senior level experience in communications, networking, and operations and serves on the Board of Directors of BICSI. In 1995 was awarded the organization's David Blythe Award for Distinguished Service. Mr. Oliver is a graduate of Worcester State College and holds a BS in communications technology.

IV. PUBLIC INTEREST STATEMENT

Applicants respectfully submit that the proposed Transactions serve the public interest.

In particular, Applicants submit that (1) CV Broadband holds the managerial, technical, and financial qualifications to acquire control of the CTC Operating Companies; (2) the Transactions will benefit competition in the international and domestic interstate telecommunications market by enabling the CTC Operating Companies to resume their growth as effective competitors in their respective markets; and (3) the Transactions will assure that there is no disruption of service and will be virtually transparent to existing customers of the CTC Operating Companies.

As demonstrated above, CV Broadband is well qualified, managerially, technically and financially, to control the CTC Operating Companies. CV Broadband is 100% owned and operated by the independent holding company, CTC Corp., which in turn is 100% owned and operated by CV Broadband's Manager and President, Kenneth D. Peterson, Jr. CV Broadband has substantial financial wherewithal and access to ample capital through its parent, CV Corp. Furthermore, Mr. Peterson is an accomplished manager of diverse domestic and global telecommunications enterprises and other businesses. CV Broadband will also draw upon the

managerial and technical abilities of existing executives of the CTC Operating Companies, who have extensive experience in the telecommunications industry. The above qualifications being considered, approval of the transactions and transfer of control of CTC Operating Companies to CV Broadband serves the public interest.

The current financial position of CTC Operating Companies has effectively precluded them from growing as competitors in their respective telecommunications markets. As a practical matter, although no services to customers have been discontinued or interrupted as a result of bankruptcy, the CTC Operating Companies have not been able to compete effectively for new customers or expand their business operations during this period. In particular, the ability of the CTC Operating Companies to purchase goods and services from suppliers needed to expand operations has been particularly hampered by bankruptcy status. Moreover, because some of its competitors have capitalized on the uncertainty inherent in bankruptcy, the CTC Operating Companies have each also seen an erosion in their respective customer bases during this time.

The Transactions will further the public interest by fostering competition. The completion of the proposed Transactions will remove the financial and operational factors that currently constrain the CTC Operating Companies, thereby allowing the CTC Operating Companies to once again compete effectively in the international and domestic interstate telecommunications markets and continue to offer alternative high-quality, competitively priced telecommunications service to customers. As a result, the proposed Transactions are expected to increase competition and provide consumers of long distance and international services a stronger alternative to incumbent and other competitive local and long distance service providers.

Existing customers, in particular, will realize significant public interest benefits from the proposed Transactions. The proposed Transactions will allow the CTC Operating Companies to

avoid liquidation and ensure that existing customers will continue to receive service from without disruption, interruption or customer migration. Customers of the CTC Operating Companies will continue to receive the same high quality, affordable telecommunications services that they currently receive. The proposed Transactions are not expected to result in a change in the names under which CTC Operating Companies operate or impairment of CTC Operating Companies' well-qualified telecommunications management team. The CTC Operating Companies will therefore emerge from bankruptcy in a manner that is virtually transparent to existing customers.

Given that the customer bases of the CTC Operating Companies continues to erode and that they are unable to compete effectively as a result of capital constraints and the uncertainty of the current financial position of the CTC Operating Companies, Applicants hope to complete the proposed acquisition as quickly as possible. Rapid completion of the Transaction is a critical factor both in order to avoid interruption of service or other inconvenience to existing customers and to ensure that the CTC Operating Companies emerge as viable competitors. Accordingly, Applicants respectfully request that the Commission expedite the processing of this Application and grant the requested authority as soon as possible.

V. INFORMATION REQUIRED BY SECTION 63.18

Pursuant to Section 63.18(e)(3) of the Commission's rules, the Applicants submit the following information in support of this Application:

(a) Name, address and telephone number of each Applicant:

Transferee: Columbia Ventures Broadband LLC
16703 S.E. McGillivray Boulevard, Suite 210,
Vancouver, Washington 98683
Tel: (360) 882-1052
Fax: (360) 882-2068

Licensees: CTC Communications Corp.
CTC Communications of Virginia, Inc.
220 Bear Hill Road
Waltham, MA 02451-1101
Tel: (781) 466-8080
Fax: (781) 466-1306

(b) Jurisdiction of Organizations:

Transferee: CV Broadband is a limited liability company organized and existing under the laws of the State of Washington.

Licensees CTC Communications is a corporation organized and existing under the laws of the Commonwealth of Massachusetts.
CTC Virginia is a corporation organized and existing under the laws of the Commonwealth of Virginia.

(c) Correspondence concerning this Application should be sent to:

For CV Broadband:

Jonathan S. Marashlian, Esq.
The Helem Law Group, P.C.
8180 Greensboro Drive, Suite 700
McLean, Virginia 22102
(703) 714-1313 (Tel)
(703) 714-1330 (Fax)
JSM@thlglaw.com (Email)

For the CTC Operating Companies:

Jean L. Kiddoo, Esq.
Edward S. Quill, Jr., Esq.
Swidler Berlin Shereff Friedman, LLP
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- (d)** CTC Communications holds global resold Section 214 by virtue of authority granted by the Commission in File No. ITC-95-187. CTC Virginia holds global Section 214 to provide facilities-based and resold international services by virtue

of authority granted by the Commission in File No. ITC-214-19980820-00606. Both CTC Communications and CTC Virginia also hold blanket domestic Section 214 authority. CV Broadband does not directly hold any Section 214 authority.

- (e) Pursuant to Section 63.18(e)(3), the Applicants seek authority for CV Broadband to acquire control of CTC Communications and CTC Virginia, both of which are nondominant common carriers holding international and domestic Section 214 authorization
- (f) Not applicable.
- (g) Not applicable
- (h) Following the completion of the proposed transactions, the following entities will directly or indirectly own 10% or more of the CTC Operating Companies:

The following entity will directly own ten percent (10%) or more of the equity of **CTC Communications of Virginia, Inc.:**

Name: CTC Communications Corp.
Address: 220 Bear Hill Road
Waltham, MA 02451-1101
Citizenship: U.S.
Principal Business: Telecommunications
% Equity: 100%

The following entity will directly own ten percent (10%) or more of the equity of **CTC Communications Corp.:**

Name: CTC Communications Group, Inc.
Address: 220 Bear Hill Road
Waltham, MA 02451-1101
Citizenship: U.S.
Principal Business: Holding Company
% Equity: 100%

The following entity will directly own ten percent (10%) or more of the equity of **CTC Communications Group, Inc.:**

Name: Columbia Ventures Broadband LLC
Address: 16703 S.E. McGillivray Boulevard, Suite 210
Vancouver, Washington 98683
Citizenship: U.S.
Principal Business: Holding Company
% Equity: 100%

The following entity directly owns ten percent (10%) or more of the equity of **Columbia Ventures Broadband LLC**:

Name: Columbia Ventures Corporation
Address: 16703 S.E. McGillivray Boulevard, Suite 210
Vancouver, Washington 98683
Citizenship: U S.
Principal Business: Holding Company
% Equity: 100%

The following entity directly owns ten percent (10%) or more of the equity of **Columbia Ventures Corporation**:

Name: Kenneth D. Peterson, Jr.
Address: 16703 S.E. McGillivray Boulevard, Suite 210
Vancouver, Washington 98683
Citizenship: U S.
Principal Business: Investment & Management
% Equity: 100%

No other person or entities will directly or indirectly own ten percent (10%) or more of the equity of either CTC Communications Corp. or CTC Communications of Virginia, Inc

Interlocking directorates:

Kenneth D. Peterson, Jr., a director of Columbia Ventures Corporation and all of its subsidiaries, including CV Broadband, is also a director of Og Vodafone, Globalstar Australia and the companies comprising Hibernia Atlantic (CVC Acquisition Company (Canada) Ltd., CVC Acquisition Company (UK) Limited, and CVC Acquisition Company (Ireland) Limited).

- (i) Applicants certify that none of Applicants is a foreign carrier but that following the completion of the proposed transactions, the CTC Operating Companies will be affiliated with the following non-dominant foreign carriers who are currently affiliated with CV Broadband:

Og Vodafone	Iceland
Globalstar Australia	Australia
CVC Acquisition Company (Canada) Ltd. ("CVC Canada")	Canada
CVC Acquisition Company (UK) Limited ("CVC UK")	United Kingdom
CVC Acquisition Company (Ireland) Limited ("CVC Ireland")	Ireland

- (j) Applicants certify that, following the completion of the proposed Transactions, the CTC Operating Companies propose to provide service to Iceland, Australia, Canada, the United Kingdom and Ireland. In Iceland, CV Broadband's corporate parent CV Corp. holds an indirect 40% interest in Og Vodafone. In Australia, CV Corp.'s wholly owned subsidiary, Columbia Ventures (Australia) Pty. Ltd., holds a 50% interest in Globalstar Australia, a provider of competitive wireless services. In Canada, the United Kingdom and Ireland, CV Corp., holds a controlling interest in CVC Canada, CVC UK, and CVC Ireland respectively.
- (k) Applicants certify that all of the markets referenced in Section (j) of this application (*i.e.*, Iceland, Australia, Canada, the United Kingdom and Ireland) are Members of the World Trade Organization (WTO) and that CV Broadband's affiliates in these foreign markets and Globalstar Australia, a foreign carrier in which a CV Broadband affiliate holds a 50% interest, all lack market power and are non-dominant in the provision of telecommunications services.

On January 31, 2003, the Commission approved the assignment of 360atlantic (USA) inc.'s cable landing license to Columbia Ventures U.S. Acquisition LLC ("CVC USA"), a CV Corp. subsidiary and affiliate of CV Broadband, which, along with CVC Canada, CVC UK and CVC Ireland, were established for the purpose of owning and operating certain U.S., Canadian, and international assets purchased from 360atlantic (USA) inc. *See In the Matter of Application of 360networks inc., 360networks Corporation, 360atlantic (USA) inc. and Columbia Ventures U.S. Acquisition LLC, For Nunc Pro Tunc Approval of the Transfer of Control of 360atlantic (USA) inc. from the Shareholders of 360networks inc. to the Shareholders of 360networks Corporation and for Approval of the Assignment of the Cable Landing License held by 360atlantic (USA) inc. to Columbia Ventures U.S. Acquisition LLC ("360/CVC USA Application")*, File No. SCL-ASG-20021213-00103 (January 31, 2003). As described in the 360/CVC USA Application, CVC Canada, CVC UK and CVC Ireland are start-up companies lacking market power. *Id.* at pg. 12. The same remains true today, as each company continues to seek and obtain the necessary authority in each country of operation.

CV Broadband is affiliated with another carrier that holds telecommunications licenses in a foreign market. Its parent, CV Corp., holds an indirect 40% interest in Og Vodafone, a publicly listed Icelandic company that holds telecommunications licenses in Iceland and the United Kingdom. In Iceland, Og Vodafone is a competitive telecommunications provider. In the United Kingdom, Og Vodafone holds an international simple voice resale license, but does not actually provide telecommunications services to customers in the United Kingdom. Og Vodafone does not possess market power in either Iceland or the United Kingdom.³

³ Carriers presumed to possess market power in the countries in which Og Vodafone holds licenses are Landssiminn in Iceland and British Telecom in the United Kingdom. *See List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in*

All of the foregoing CV Broadband affiliates (*i.e.*, CVC Canada, CVC UK, CVC Ireland and Og Vodafone), as well as Globalstar Australia, in which a CV Broadband affiliate holds a 50% interest, are non-dominant in the provision of telecommunications services in their respective foreign markets

- (l) In satisfaction of Commission Rule 63.10(a)(3), 47 C.F.R. § 63.10(a)(3), Applicants certify that none of the foreign carriers listed in subsection (i) above hold 50% or more of the international transport and local access markets in the international markets in which those entities operate. As a result, all of the foreign carrier affiliates that the CTC Operating Companies will become affiliated with as a result of the proposed transactions are presumptively non-dominant under the Commission's rules.
- (m) Following the completion of the transaction, both of the CTC Operating Companies wish to continue to be treated as non-dominant carriers for the purposes of providing service to the countries (listed in subsection (i)) in which CV Broadband is affiliated and the CTC Operating Companies will become affiliated with a foreign carrier. In support of that request, Applicants certify that none of the foreign carriers listed in subsection (i) above hold 50% or more of the international transport and local access markets in the international markets in which those entities operate. Following the transactions described herein, Applicants will and their proposed foreign carrier affiliates will continue to lack market power and the ability to discriminate against unaffiliated U.S. carriers through control of bottleneck services or facilities in the destination markets or otherwise to affect competition adversely in the U.S. market. Accordingly, pursuant to Commission Rule 63.10(a)(3), 47 C.F.R. § 63.10(a)(3), following the transaction, Applicants will continue to be presumptively classified as non-dominant.
- (n) Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a. *See also* 47 C.F.R. §§ 1.2001-1.2003.
- (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. §63.12. With respect to international authorizations, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are or are affiliated with any dominant foreign

carriers except for foreign carriers that qualify for a presumption of non-dominance pursuant to Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3) (*see* Section 63.12(c)(1)(ii)) and none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

VI. INFORMATION REQUIRED BY SECTION 63.04

In lieu of an attachment, pursuant to Commission rule 63.04(b), 47 C.F.R. § 63.04(b) Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

- (a)(6) A description of the proposed Transactions is set forth in **Section III.** above.
- (a)(7) CTC Communications provides resold and facilities-based competitive local exchange services primarily in Verizon territory in the Northeastern United States and resold interexchange and international services in the continental United States. CTC Virginia provides facilities-based and resold competitive local exchange, interexchange and international services in Virginia. CV Broadband does not provide telecommunications services in any state.
- (a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, with respect to domestic authority, this Application is *eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transactions, (1) the CTC Operating Companies and their affiliates combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) the CTC Operating Companies will provide local exchange service only in areas served by dominant local exchange carriers (none of which are parties to the proposed transactions) and; (3) none of the Applicants or their affiliates are dominant with respect to any service.*
- (a)(9) Through this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). No other applications are being filed with the Commission with respect to this transaction.
- (a)(10) Prompt completion of the proposed transactions is critical to ensuring that the CTC Operating Companies obtain access to the financing arrangements necessary to permit the companies to emerge from bankruptcy. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in

order to allow Applicants to consummate the proposed transactions as soon as possible.

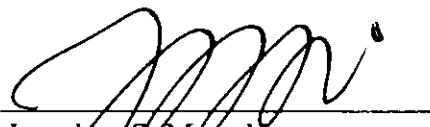
(a)(11) Not applicable

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV.** above

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Indeed, failure to grant it would directly harm the public interest. In light of the exigent circumstances and, in particular the need to ensure continuity of service to existing customers, Applicants respectfully request expedited treatment to permit Applicants to consummate the proposed Transactions as soon as possible

Respectfully submitted,



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Counsel for CTC Communications Corp. and
CTC Communications of Virginia, Inc.

Dated: August 19, 2003

CERTIFICATION OF APPLICANT

On behalf of Columbia Ventures Broadband LLC, I hereby certify under penalty of perjury that I am the Manager and President of Columbia Ventures Broadband LLC and that the statements in the foregoing Federal Communications Commission Section 214 Application are true, complete, and correct to the best of my knowledge and are made in good faith

COLUMBIA VENTURES BROADBAND LLC

By Kenneth D. Peterson, Jr.
Name Kenneth D. Peterson, Jr
Title President & Manager of Columbia Ventures Broadband, LLC
Date. August 14, 2003

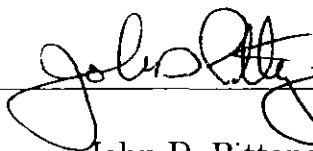
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CERTIFICATION OF APPLICANT

On behalf of CTC Communications Corp, I hereby certify upon penalty of perjury that I am Executive Vice President of CTC Communications Corp and CTC Communications of Virginia, Inc and that the statements in the foregoing Federal Communications Commission Section 214 Application are true, complete, and correct to the best of my knowledge and are made in good faith

**CTC COMMUNICATIONS CORP.
CTC COMMUNICATIONS OF VIRGINIA, INC.**

By:



Name

John D. Pittenger

Title:

Executive Vice President

Date:

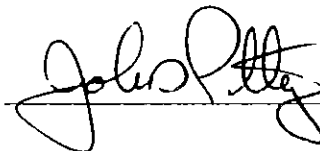
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CERTIFICATION OF APPLICANT

On behalf of CTC Communications Corp , I hereby certify upon penalty of perjury that I am Executive Vice President of CTC Communications Corp and CTC Communications of Virginia, Inc and that the statements in the foregoing Federal Communications Commission Section 214 Application are true, complete, and correct to the best of my knowledge and are made in good faith.

**CTC COMMUNICATIONS CORP.
CTC COMMUNICATIONS OF VIRGINIA, INC.**

By:



Name.

John D. Pittenger

Title:

Executive Vice President

Date

8/5/03